

Composition of Capital Disclosure

Mizuho Financial Group
As of September 30, 2014

[Consolidated] (in million yen, in percentage)

Items	Amounts excluded under transitional arrangements	Basel III Template No.
Common Equity Tier 1 capital: instruments and reserves (1)		
Directly issued qualifying common share capital plus related stock surplus and retained earnings	5,593,716	1a+2-1c-26
of which: capital and stock surplus	3,087,513	1a
of which: retained earnings	2,598,167	2
of which: treasury stock (-)	3,840	1c
of which: national specific regulatory adjustments (earnings to be distributed) (-)	88,123	26
of which: other than above	-	
Subscription rights to common shares	2,024	1b
Accumulated other comprehensive income and other disclosed reserves	227,016	908,065 3
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	12,250	5
Total of items included in Common Equity Tier 1 capital: instruments and reserves subject to phase-out arrangements	58,068	
of which: amount allowed in group CET1 capital subject to phase-out arrangements on common share capital issued by subsidiaries and held by third parties	58,068	
Common Equity Tier 1 capital: instruments and reserves (A)	5,893,076	6
Common Equity Tier 1 capital: regulatory adjustments (2)		
Total intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	87,950	351,800 8+9
of which: goodwill (net of related tax liability, including those equivalent)	22,833	91,332 8
of which: other intangibles other than goodwill and mortgage servicing rights (net of related tax liability)	65,117	260,468 9
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	6,949	27,798 10
Deferred gains or losses on derivatives under hedge accounting	377	1,510 11
Shortfall of eligible provisions to expected losses	1,155	4,411 12
Securitization gain on sale	605	2,422 13
Gains and losses due to changes in own credit risk on fair valued liabilities	161	646 14
Net defined benefit asset	59,663	238,653 15
Investments in own shares (excluding those reported in the net assets section)	1,119	4,478 16
Reciprocal cross-holdings in common equity	-	- 17
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above the 10% threshold)	57,804	231,216 18
Amount exceeding the 10% threshold on specified items	-	- 19+20+21
of which: significant investments in the common stock of financials	-	- 19
of which: mortgage servicing rights	-	- 20
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	- 21
Amount exceeding the 15% threshold on specified items	-	- 22
of which: significant investments in the common stock of financials	-	- 23
of which: mortgage servicing rights	-	- 24
of which: deferred tax assets arising from temporary differences (net of related tax liability)	-	- 25
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	- 27
Common Equity Tier 1 capital: regulatory adjustments (B)	215,787	28
Common Equity Tier 1 capital (CET1)		
Common Equity Tier 1 capital (CET1) ((A)-(B)) (C)	5,677,289	29
Additional Tier 1 capital: instruments (3)		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	31a
Subscription rights to Additional Tier 1 instruments	-	31b
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	-	32
Qualifying Additional Tier 1 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	-	30
Additional Tier 1 instruments issued by subsidiaries and held by third parties (amount allowed in group AT1)	27,970	34-35
Eligible Tier 1 capital instruments subject to phase-out arrangements included in Additional Tier 1 capital: instruments	1,666,511	33+35
of which: directly issued capital instruments subject to phase out from Additional Tier 1	1,666,511	33
of which: instruments issued by subsidiaries subject to phase out	-	35
Total of items included in Additional Tier 1 capital: instruments subject to phase-out arrangements	(53,462)	
of which: foreign currency translation adjustments	(53,462)	
Additional Tier 1 capital: instruments (D)	1,641,019	36
Additional Tier 1 capital: regulatory adjustments		
Investments in own Additional Tier 1 instruments	-	37
Reciprocal cross-holdings in Additional Tier 1 instruments	-	38
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	175	700 39
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	23,811	95,245 40
Total of items included in Additional Tier 1 capital: regulatory adjustments subject to phase-out arrangements	77,108	
of which: goodwill equivalent	48,467	
of which: intangible fixed assets recognized as a result of a merger	23,908	
of which: capital increase due to securitization transactions	2,422	
of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	2,310	

[Consolidated]

(in million yen, in percentage)

Items	Amounts excluded under transitional arrangements	Basel III Template No.
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	42
Additional Tier 1 capital: regulatory adjustments (E)	101,095	43
Additional Tier 1 capital (AT1)		
Additional Tier 1 capital ((D)-(E)) (F)	1,539,924	44
Tier 1 capital (T1 = CET1 + AT1)		
Tier 1 capital (T1 = CET1 + AT1) ((C)+(F)) (G)	7,217,214	45
Tier 2 capital: instruments and provisions (4)		
Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as equity under applicable accounting standards and the breakdown	-	46
Subscription rights to Tier 2 instruments	-	
Directly issued qualifying Tier 2 instruments plus related stock surplus of which: classified as liabilities under applicable accounting standards	100,000	
Tier 2 instruments plus related stock surplus issued by special purpose vehicles and other equivalent entities	164,175	
Tier 2 instruments issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	8,999	48-49
Eligible Tier 2 capital instruments subject to phase-out arrangements included in Tier 2: instruments and provisions	1,196,148	47+49
of which: directly issued capital instruments subject to phase out from Tier 2	164,175	47
of which: instruments issued by subsidiaries subject to phase out	1,031,973	49
Total of general allowance for loan losses and eligible provisions included in Tier 2	5,462	50
of which: general allowance for loan losses	5,462	50a
of which: eligible provisions	-	50b
Total of items included in Tier 2 capital: instruments and provisions subject to phase-out arrangements	652,884	
of which: 45% of unrealized gains on other securities	573,037	
of which: 45% of revaluation reserve for land	79,847	
Tier 2 capital: instruments and provisions (H)	2,127,670	51
Tier 2 capital: regulatory adjustments		
Investments in own Tier 2 instruments	-	52
Reciprocal cross-holdings in Tier 2 instruments	-	53
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	32,538	130,154 54
Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	55
Total of items included in Tier 2 capital: regulatory adjustments subject to phase-out arrangements	144,805	
of which: investments in the capital banking, financial and insurance entities	142,494	
of which: 50% of excess of expected losses relative to eligible reserves by banks adopting internal ratings-based approach	2,310	
Tier 2 capital: regulatory adjustments (I)	177,343	57
Tier 2 capital (T2)		
Tier 2 capital (T2) ((H)-(I)) (J)	1,950,326	58
Total capital (TC = T1 + T2)		
Total capital (TC = T1 + T2) ((G) + (J)) (K)	9,167,540	59
Risk weighted assets (5)		
Total of items included in risk weighted assets subject to phase-out arrangements	984,306	
of which: intangible assets (net of related tax liability, excluding those relating to mortgage servicing rights)	236,560	
of which: deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	27,798	
of which: net defined benefit asset	238,653	
of which: investments in the capital banking, financial and insurance entities	481,294	
Risk weighted assets (L)	60,865,939	60
Capital ratio (consolidated)		
Common Equity Tier 1 capital ratio (consolidated) ((C)/(L))	9.32%	61
Tier 1 capital ratio (consolidated) ((G)/(L))	11.85%	62
Total capital ratio (consolidated) ((K)/(L))	15.06%	63
Regulatory adjustments (6)		
Non-significant investments in the capital of other financials that are below the thresholds for deduction (before risk weighting)	595,308	72
Significant investments in the common stock of financials that are below the thresholds for deduction (before risk weighting)	145,258	73
Mortgage servicing rights that are below the thresholds for deduction (before risk weighting)	-	74
Deferred tax assets arising from temporary differences that are below the thresholds for deduction (before risk weighting)	130,387	75
Provisions included in Tier 2 capital: instruments and provisions (7)		
Provisions (general allowance for loan losses)	5,462	76
Cap on inclusion of provisions (general allowance for loan losses)	55,029	77
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) (if the amount is negative, report as "nil")	-	78
Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	286,545	79
Capital instruments subject to phase-out arrangements (8)		
Current cap on AT1 instruments subject to phase-out arrangements	1,666,511	82
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	107,056	83
Current cap on T2 instruments subject to phase-out arrangements	1,349,648	84
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) (if the amount is negative, report as "nil")	-	85